

175987

WOODWARD, COTHRAN & HERNDON

Attorneys at Law

EDWARD M. WOODWARD, JR.
DARRA W. COTHRAN
WARREN R. HERNDON, JR.

1200 MAIN STREET, SUITE 600
POST OFFICE BOX 12399
COLUMBIA, SOUTH CAROLINA 29211
TELEPHONE (803) 799-9772 FACSIMILE (803) 799-3256

EDWARD M. WOODWARD, SR.
(1921-2000)

September 27, 2005

RECEIVED
2005 SEP 28 AM 11:15
SC PUBLIC SERVICE
COMMISSION

DELIVERED BY HAND

The Honorable Charles L. A. Terreni
Executive Director
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, SC 29211

Re: Application of MCI, Inc. Applicant, for Grant of the Authority Necessary for the Transfer of
Assets of MCI Network Services, Inc. to MCI Communications Services, Inc.
Our File No. 05-7050

Dear Mr. Terreni:

Enclosed are the original and eleven copies of the above-referenced Application on behalf of
MCI, Inc. Would you please file the original, returning a clocked copy to me by way of our courier.
Thank you for your assistance.

Very truly yours,

WOODWARD, COTHRAN & HERNDON

Darra W. Cothran

Darra W. Cothran
dwcothran@wchlaw.com

DWC/bjd

Enclosures.

cc: South Carolina Public Service Commission,
Office of Regulatory Staff

17 5987

BEFORE THE
SOUTH CAROLINA PUBLIC SERVICE COMMISSION

RECEIVED
2005 SEP 23 AM 10:15
SC PUBLIC SERVICE
COMMISSION

In Re:)
Application of MCI, Inc.)
for Grant of the Authority Necessary)
for the Transfer of Assets of MCI)
WorldCom Network Services, Inc. to)
MCI WorldCom Communications)
Services, Inc.)

Docket No. 2005-299-C

APPLICATION FOR EXPEDITED APPROVAL OF TRANSFER OF ASSETS

Pursuant to S.C. Code Ann. § 58-9-310, MCI, Inc. ("MCI"), by its undersigned counsel, and on behalf of its subsidiaries MCI WorldCom Network Services, Inc. ("MCI Network Services") and MCI WorldCom Communications Services, Inc. ("MCI Communications Services"), hereby requests that the Commission grant such authority as may be necessary or required for the transfer to MCI Communications Services of certain assets of MCI Network Services related to its provision of telecommunication services. The transaction is another step in MCI's effort to streamline its corporate structure, achieve cost savings and eliminate any administrative duplication. The transaction is expected to be completed by December 31, 2005.

A. Description of the Applicant, MCI

MCI is a corporation created and existing under the laws of the State of Delaware, with its principal office located at 22001 Loudoun County Parkway, Ashburn, Virginia 20147. Through various operating subsidiaries, including MCI Network Services and MCI Communications Services, MCI provides international and domestic interstate,

intrastate and local telecommunications services. MCI is the parent company of various operating subsidiaries and offers no services directly to the public and holds no certificates of public convenience and necessity issued by the Commission. Additional information about MCI, Inc. is available at www.mci.com.

MCI Network Services, Inc. is a Delaware corporation with its principal office located at 22001 Loudoun County Parkway, Ashburn, Virginia 20147 (South Carolina Certificate: Order Nos. 1999-573; 84-732; 93-462; Dkt. No. 84-181-C). MCI Network Services provides wholesale long distance telephone, data and Internet services to other carriers. MCI Network Services owns facilities used to provide non-local services. MCI, Inc. is the ultimate parent of MCI Network Services.

MCI Communications Services, Inc. is a Delaware corporation with its principal office located at 22001 Loudoun County Parkway, Ashburn, Virginia 20147 (South Carolina Certificate: Order Nos. 2004-601; 1999-473; 94-1000). MCI Communications Services is MCI's primary entity for U.S. based sales contracts. It holds MCI's customer contracts for commercial, wholesale, consumer, and the public sector and leases various facilities. It also provides long distance services to MCI's retail consumer and business customer base in all 50 states and the District of Columbia. MCI, Inc. is the ultimate parent of MCI Communications Services.

B. Contact Information

Correspondence concerning this application may be directed to:

Darra Williamson Cothran
Woodward, Cothran & Herndon
1200 Main Street, Suite 600
Columbia, SC 29201
Phone: 803-799-9772
Fax: 803-799-3256
Email: dwcothran@wchlaw.com

With a copy to:

David Adelman, Esq.
Frank LoMonte, Esq.
Sutherland Asbill & Brennan LLP
999 Peachtree Street, N.E.
Atlanta, Georgia 30309
Phone: (404) 853-8000
Fax: (404) 853-8806
Email: david.adelman@sablaw.com

And:

Marsha Ward, Esq.
MCI, Inc.
6 Concourse Parkway, Ste. 600
Atlanta, Georgia 30328
Phone: (770) 284-5490
Fax: (770) 284-5488
Email: marsha.ward@mci.com

C. Description of the Transaction

The transaction is an essential aspect of MCI's continued plans to streamline its corporate structure and allow it to operate in a more efficient manner. The transaction will result in MCI Network Services' assets, facilities and wholesale customer contracts involving long distance telephone, data and Internet services, being transferred to MCI Communications Services. As shown in Exhibits 1 and 2, MCI Network Services' assets will be transferred to MCI Communications Services. MCI Network Services has no retail customers. All customers served by MCI Network Services facilities and pursuant to contract with MCI Network Services will be served by MCI Communications Services after the transfer of assets. MCI Communications Services has all authority necessary to provide the services currently provided by MCI Network Services. No new authority is being requested. MCI, Inc., the ultimate parent of both companies, will retain control of both subsidiaries. There is no change of ownership of certificates of authority. MCI

Network Services, Inc. is retaining its certificates and is not asking for the cancellation of authority at this time.

The transfer of the assets and customers will not adversely affect the provision of services in South Carolina. Wholesale customers will receive the same services at the same high quality from MCI Communications Services that they currently receive from MCI Network Services. No changes will be made to the rates, terms and conditions or service offerings; only the name will change, and all branding will still remain MCI, making the transfer of assets transparent to all customers.

D. Conclusion

MCI respectfully submits that the public interest, convenience, and necessity would be furthered by grant of this Application. MCI respectfully requests the Commission approve the transfer of assets from MCI Network Services, Inc. to MCI Communications Services, Inc.

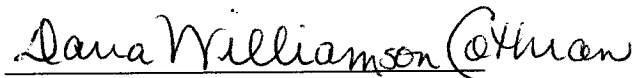
Further information regarding the transaction is available at the request of the Commission.

Respectfully submitted this 27th day of September, 2005,

MCI, Inc., on behalf of its subsidiaries

MCI WorldCom Network Services, Inc. and

MCI WorldCom Communications Services, Inc.



Darra Williamson Cothran
Woodward, Cothran & Herndon
1200 Main Street, Suite 600
Columbia, SC 29201
Phone: 803-799-9772
Fax: 803-799-3256
Email: dwcothran@wchlawn.com
Counsel for MCI, Inc.

BEFORE THE

SOUTH CAROLINA PUBLIC SERVICE COMMISSION

In Re:)
Application of MCI, Inc.)
for Grant of the Authority Necessary)
for the Transfer of Assets of MCI)
WorldCom Network Services, Inc. to)
MCI WorldCom Communications)
Services, Inc.)

Docket No. _____

SC PUBLIC SERVICE
COMMISSION

2005 SEP 28 AM 10:15

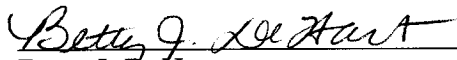
RECEIVED

CERTIFICATE OF SERVICE

I, Betty J. DeHart of Woodward, Cothran & Herndon, Attorneys for MCI, Inc., do hereby certify that I have served the following parties with the foregoing **Application of MCI, Inc. for Grant of the Authority Necessary for the Transfer of Assets of MCI WorldCom Network Services, Inc. to MCI WorldCom Communications Services, Inc.**, by depositing a copy of same in the United States Mail, first class postage paid, and addressed as follows:

The Honorable Charles L. A. Terreni
Executive Director
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

South Carolina Public Service Commission
Office of Regulatory Staff
1441 Main Street, Suite 300
Columbia, S.C. 29201


Betty J. DeHart

SWORN to before me this

28th day of September, 2005.

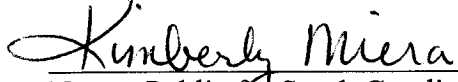
 (L.S.)
Notary Public for South Carolina
My Commission Expires: 10/08/08

Exhibit 1

Current Corporate Structure

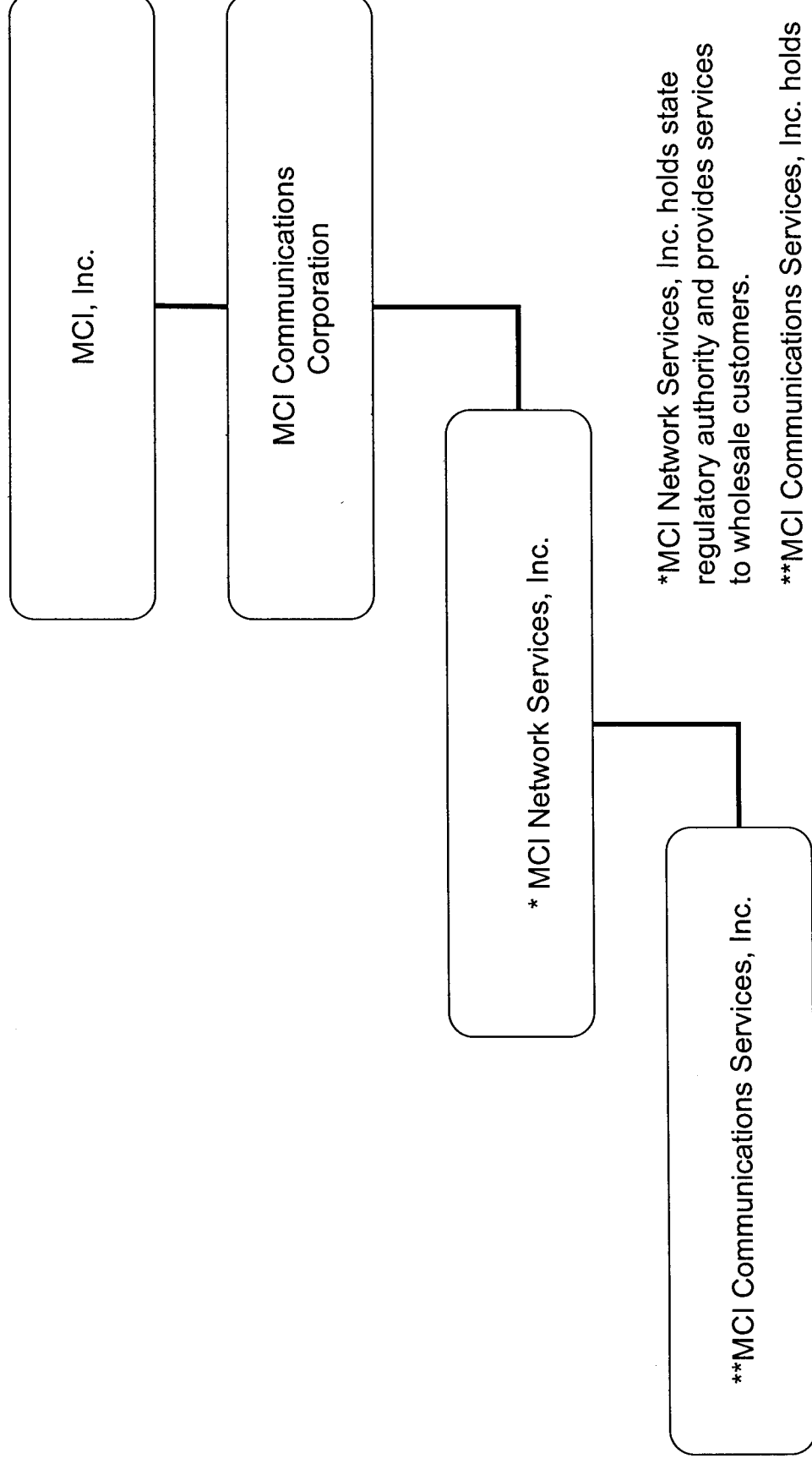


Exhibit 2

Proposed Corporate Structure

